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# TECHNICAL MEMORANDUM


Utah Coal Regulatory Program

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February 12, 2013

TO: Internal File

THRU: Daron Haddock, Coal Program Manager 

FROM: Steve Christensen, Environmental Scientist 

RE: Operator Change, Headwaters Energy Services Corporation, Covol Engineered Fuels, C/007/0045 Task ID #4249

## SUMMARY:

On January 17<sup>th</sup>, 2013, the Division of Oil, Gas and Mining (the Division) received an amendment to the Covol Engineered Fuels- Wellington Dry-coal Cleaning Facility (Covol facility) mining and reclamation plan (MRP). The amendment revises the operator information provided on page 1-1 (Section 1.1.2.2). The revision changes the operator from Covol Engineered Fuels, LLC to BRC Wellington, LLC and Bowie Refined Coal, LLC.

Additional operator information is required. The following deficiencies must be addressed prior to final approval:

**R645-301-112:** Based upon the definition of "*owned and controlled*" in the State of Utah R645-Coal Mining Rules (See paragraph 3 of definition), additional information is required for the proposed operators of the Covol facility. The Permittee must provide the directors' and officers' information for BRC Wellington, LLC and Bowie Refined Coal, LLC. The information shall include the names of the board of directors and company officers as well as their titles and the date their positions were assumed.

**R645-301-112.220:** The Permittee must revise page 1-4 the MRP to identify the current resident agent. Gina Rau is no longer employed with the company.

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**TECHNICAL ANALYSIS:**

**GENERAL CONTENTS**

**IDENTIFICATION OF INTERESTS**

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

**Analysis:**

The amendment does not meet the Identification of Interests requirements of the State of Utah R645-Coal Mining Rules.

On page 1-4 of the approved MRP, the Permittee identifies Gina Rau as the "Director, Regulatory Compliance". The Permittee must revise page 1-4 the MRP to identify the current resident agent. Gina Rau is no longer employed with the company.

Based upon the definition of "owned and controlled" in the State of Utah R645-Coal Mining Rules (See paragraph 3 of definition), additional information is required for the proposed operators of the Covol facility. The Permittee must provide the directors and officers' information for BRC Wellington, LLC and Bowie Refined Coal, LLC.

**Findings:**

The amendment does not meet the Identification of Interests requirements of the State of Utah R645-Coal Mining Rules. The following deficiency must be addressed:

**R645-301-112:** Based upon the definition of "*owned and controlled*" in the State of Utah R645-Coal Mining Rules (See paragraph 3 of definition), additional information is required for the proposed operators of the Covol facility. The Permittee must provide the directors' and officers' information for BRC Wellington, LLC and Bowie Refined Coal, LLC. The information shall include the names of the board of directors and company officers as well as their titles and the date their positions were assumed.

**R645-301-112.220:** The Permittee must revise page 1-4 the MRP to identify the current resident agent. Gina Rau is no longer employed with the company.

**RECOMMENDATIONS:**

The amendment should not be approved at this time. The aforementioned deficiencies must be addressed prior to final approval.

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